

INDEPENDENT AUDITOR'S REPORT

To the Members of Upgrad Education Private Limited

Report on the Audit of the Standalone Financial Statements**Opinion**

We have audited the accompanying standalone financial statements of Upgrad Education Private Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 39.1 of the standalone financial statements, which describes the effect of prior period item pertaining to revenue, which has been recorded in the current year. Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The financial statements of the Company for the year ended March 31, 2020, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on November 9, 2020.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021;
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 23 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Vineet Kedia**

Partner

Membership Number: 212230

UDIN: 21212230AAAAEQ8811

Place of Signature: Mumbai

Date: November 26, 2021



Annexure 1 referred to in paragraph [1] under Report on Other Legal and Regulatory Requirements of our report of even date

Re: Upgrad Education Private Limited (the "Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management and audit procedures performed by us, there are no immovable properties, included in fixed assets of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) The Company's business does not involve inventories and accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) (a) The Company has granted loans to two body corporates covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- (b) The Company has granted loans that are re-payable on demand, to a firm covered in the register maintained under section 189 of the Companies Act, 2013. We are informed that the company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. The payment of interest has been regular.
- (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and guarantees, and securities given have been complied with by the company.
- (v) The Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the services of the Company.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of equalisation levy and profession tax. As explained to us, the Company did not have any dues of sales tax, duty of custom and duty of excise.
- (b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amount payable in respect of provident fund, income tax, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable. As explained to us, the Company did not have any dues of sales tax, duty of custom and duty of excise.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) According to the information and explanations given by the management and audit procedures performed by us, the Company has raised money by way of term loans and same has been utilised for the purpose for which they were raised. The Company has not raised any money way of initial public offer or further public offer or debt instruments.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management and audit procedures performed by us, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under paragraph 3(xi) of the Order is not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of paragraph 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company and accordingly reported under clause 3(xiii) of the Order insofar as it relates to Section 177 of the Act is not applicable to the Company and hence not commented upon.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Act.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Vineet Kedia**

Partner

Membership Number: 212230

UDIN: 21212230AAAAEQ8811

Place of Signature: Mumbai

Date: November 26, 2021



Annexure 2 to the Independent Auditor's Report referred in our report of even date on the standalone financial statements of Upgrad Education Services Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of Upgrad Education Services Private Limited (the "Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these standalone financial statements.



Meaning of Internal Financial Controls over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Vineet Kedia**

Partner

Membership Number: 212230

UDIN: 21212230AAAAEQ8811

Place of Signature: Mumbai

Date: November 26, 2021



UpGrad Education Private Limited
Balance Sheet as at March 31, 2021

(INR. million)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
EQUITY AND LIABILITIES			
Shareholders funds			
Share capital	3	710.00	710.00
Reserves and surplus	4	(3,773.81)	(1,826.21)
		(3,063.81)	(1,116.21)
Non-Current liabilities			
Long-term borrowings	5	400.00	400.00
Long-term provisions	6	7.81	12.60
		407.81	412.60
Current liabilities			
Short-term borrowings	7	1,679.37	598.40
Trade payables	8		
Total outstanding dues of micro enterprises and small enterprises		20.48	1.60
Total outstanding dues of creditors other than micro enterprises and small enterprises		405.41	342.16
Other current liabilities	9	1,767.85	425.53
Short-term provisions	10	22.23	8.02
		3,895.34	1,375.71
TOTAL EQUITY & LIABILITIES		1,239.34	672.10
ASSETS			
Non-Current assets			
Property Plant & Equipment	11	84.36	85.91
Intangible assets	11	395.81	4.63
Capital work-in-progress	11	-	0.32
		480.17	90.86
Non-current investments	12	132.36	0.01
Loans and advances	13	25.24	22.67
Current assets			
Trade receivables	14	155.49	193.83
Cash and bank balances	15	123.77	113.16
Loans and advances	16	192.01	224.78
Other current assets	17	130.30	26.79
		601.57	558.56
TOTAL ASSETS		1,239.34	672.10

Summary of significant accounting policies 2.1
The accompanying notes form an integral part of these financial statements

As per our report of even date
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration No: 101049W/E300004


per Vineet Kedia
Partner
Membership No: 212230



For and on behalf of the Board of Directors
Upgrad Education Private Limited


Mayank Kumar
Managing Director
DIN:05002534


Rohinton Screwvala
Director
DIN:00003423

Place : Mumbai
Date : November 26, 2021

Place : Mumbai
Date : November 26, 2021


Khushboo Shah
Company Secretary
Membership No. A43260



Place : Mumbai
Date : November 26, 2021

Place : Mumbai
Date : November 26, 2021

UpGrad Education Private Limited
Statement of Profit and Loss for the year ended March 31, 2021

(INR. million)

Particulars	Note No.	Year Ended March 31, 2021	Year Ended March 31, 2020
Income			
Revenue from operations (Refer note 39.1)	18	3,253.27	1,623.40
Other income	19	26.69	2.26
Total Income		3,279.96	1,625.66
Expenses			
Direct costs	20	845.09	298.44
Employee benefits expense	21	1,567.93	899.00
Depreciation and amortisation expense	11	67.24	22.68
Finance costs	22	123.31	25.08
Other expenses	23	2,448.95	1,169.38
Total Expenses		5,052.52	2,414.58
(Loss) before tax		(1,772.56)	(788.92)
Tax Expenses:		-	-
(Loss) for the year after tax		(1,772.56)	(788.92)
Prior period items	39.1	(251.17)	-
(Loss) for the year after tax after prior period items		(2,023.73)	(788.92)
Basic and diluted loss per equity share having face value of INR 1 each	35	(202.37)	(78.89)

Summary of significant accounting policies 2.1
The accompanying notes form an integral part of these financial statements

As per our report of even date
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration No: 101049W/E300004



per Vineet Kedia
Partner
Membership No: 212230



Place : Mumbai
Date : November 26, 2021

For and on behalf of the Board of Directors
Upgrad Education Private Limited



Mayank Kumar
Managing Director
DIN:05002534

Place : Mumbai
Date : November 26, 2021







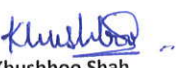

Rohinton Screwvala
Director
DIN:00003423

Place : Mumbai
Date : November 26, 2021


Khushboo Shah
Company Secretary
Membership No. A43260

Place : Mumbai
Date : November 26, 2021



Upgrad Education Private Limited		(INR. million)
Cashflow statement for the year ended March 31, 2021		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Cash flow from operating activities:		
Net (Loss) before tax	(2,023.73)	(788.92)
Adjustments to reconcile profit before tax to net cash flows		
Depreciation & amortization expenses	67.24	22.68
Employee stock options cost	76.13	-
Capitalized salaries and content development costs	(424.81)	-
Interest expenses	123.31	25.08
Interest income	(1.74)	(1.72)
Operating (Loss) before working capital changes	(2,183.61)	(742.88)
Movements in working capital:		
Increase in trade payables	82.13	289.60
Increase in provisions	9.42	210.81
Increase in other current liabilities	1,342.31	107.11
(Increase)/decrease in trade receivables	38.34	(65.08)
(Increase) in loans and advances	(73.31)	(171.79)
Net cash flow (used in) operating activities (A)	(784.72)	(372.24)
Cash flows from investing activities :		
Purchase of property, plant and equipment, including capital work in progress, intangible assets and capital advances	(38.72)	(75.86)
Proceeds from sale of property, plant & equipment	6.98	-
Purchase of non-current investments	(132.35)	-
Capitalization of intangible assets incl. under development	-	(2.50)
Interest received	1.74	1.72
Net cash flow (used in) investing activities (B)	(162.35)	(76.65)
Cash flows from financing activities :		
Proceeds from long-term borrowings	-	85.00
Repayment of long term borrowings	-	(400.00)
Proceeds from short term borrowings	1,263.47	884.83
Repayment of short term borrowings	(182.50)	-
Interest paid	(123.31)	(25.08)
Net cash flow from financing activities (C)	957.69	544.75
Net Increase/(decrease) in cash and cash equivalents (A + B + C)	10.62	95.86
Cash and cash equivalents at the beginning of the year	113.16	17.30
Cash and cash equivalents at the end of the year (Refer Note 14)	123.77	113.16
Components of cash and cash equivalents		
Cash on hand	0.11	0.11
Balances with banks In current accounts	123.66	113.05
As per our report of even date		
For S.R. Batliboi & Associates LLP Chartered Accountants ICAI Firm's Registration No: 101049W/E300004	For and on behalf of the Board of Directors Upgrad Education Private Limited	
 per Vineet Kedia Partner Membership No: 212230	 Mayank Kumar Managing Director DIN:05002534	 Rohinton Screwvala Director DIN:00003423
	Place : Mumbai Date : November 26, 2021	Place : Mumbai Date : November 26, 2021
	 Khushboo Shah Company Secretary Membership No. A43260	
Place : Mumbai Date : November 26, 2021	Place : Mumbai Date : November 26, 2021	

UpGrad Education Private Limited
Notes forming part of the financial statements as on March 31, 2021

1.a Corporate Information

The Company was incorporated in India as a Private Limited under the Companies Act, 1956 on December 11, 2012. The Company is engaged in providing higher education programs through its online platform and through collaborations with Universities.

1.b Going Concern

During the year ended March 31, 2021, the Company has incurred a loss after tax of Rs 2,023.73 million (March 31, 2020 – Rs 788.92 million) and as of that date, has accumulated losses of Rs 3,849.94 million (March 31, 2020 – Rs 1,826.21 million) and its current liabilities exceeded current assets by Rs 3,293.77 million (March 31, 2020 – Rs 817.15 million). As at March 31, 2021 the Company has cash and bank balances of Rs 123.77 million (March 31, 2020 – Rs 113.16 million). Based on the business plan prepared by the Company and considering the significant growth prospects offered by the "Edtech" industry and subsequent equity infusion of Rs 11,004.01 million from private investors (refer note 36.1) management believes that it will be able to meet its operational, capital requirements and settle its liabilities and obligations as and when they fall due and continue as a going concern. Accordingly, these financial statements are prepared on going concern basis.

2. Basis of preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

2.1 Summary of significant accounting policies :

a. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Property Plant & Equipment

Property, plant and equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition. All other repair and maintenance costs are recognised in profit or loss as incurred.

Intangible assets acquired separately are measured on initial recognition at cost. Internally generated intangible assets include content and technology developed costs which are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization. Expenditure incurred on acquisition / development of intangible assets which are not put/ready to use at the reporting date are disclosed under intangible assets under development.

c. Intangible assets and amortization thereof

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred. Intangible assets are amortized on a straight line basis over the estimated useful life of an intangible asset. The estimated useful life for intangible assets is 3-5 years. The estimated useful life and amortisation method are reviewed at each reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.



The expenditure incurred on the development of content and technology platforms are capitalized where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the estimated useful life of 3-5 years. Amortization is recognized in the statement of profit and loss. Expenditure incurred on acquisition / development of intangible assets which are not put/ready to use at the reporting date are disclosed under intangible assets under development.

A summary of amortization policies applied to the Company's intangible assets is as below:

Content Development - over a period of 5 years at 20% on SLM basis

Technology Development - over a period of 3 years at 33.33% on SLM basis

d. Depreciation / Amortisation

Depreciation is provided based on management estimate of useful lives of the fixed assets, on the Straight Line method pro-rata to the period of use or at the rates prescribed in Schedule II of the Companies Act, 2013, whichever is higher. All assets carrying a cost of Rupees Five thousand and below are fully depreciated in the year of purchase. Leasehold improvements are amortized over the period of Lease. The company provides for the depreciation from the day the asset is put to use and for an assets sold, till the date of sale such assets.

The Company has used the following rates to provide depreciation on its property, plant and equipment.

Particulars of Asset	Useful lives estimated by the management (in years)
Computers and other IT Assets	3 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Leasehold Improvements	over the lease tenure
Plant & Machinery (Cinematography)	13 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted appropriately, if appropriate.

e. Operating leases (where the Company is the lessee)

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. The Company has taken commercial premises under cancellable operating lease. These lease agreements are normally renewed upon expiry of their initial term.

f. Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. At the end of the financial year, current Investments are valued, script-wise at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of each individual investment. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.



h. Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and revenue can be reliably measured i.e. over the period of the contract, basis the proportionate completion method based on the actual cost incurred to the estimated total cost to render the services.

Revenue from Program Fees pertains to revenue from contracts with students for the courses offered by the Company and related university cost for such programs is recognised as University Fees under direct costs.

Revenue from Universities pertains to revenue from contracts with universities on net revenue share basis, for the services provided by the Company for courses offered by the universities on upGrad platform. Revenue share is a contractually specified percentage of the fees universities receive from their students. Fees received by the universities are variable in nature such as, they are dependent upon the number of students that are enrolled in the program within each academic term.

Revenue from students who have opted for financing arrangements (between the students and lenders) is recognised gross of commission expenses. The Company pays commission expenses to lenders for facilitating such lending arrangements, which is recognised as a marketing and advertising expense in these standalone financial statements.

The Company collects goods and services tax (GST) on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

i. Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

j. Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange differences

All exchange differences arising on the settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expense in the Statement of Profit and Loss in the year in which they arise.

k. Employee retirement and other benefits

Short-term employee benefits:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Defined contribution plans:

Retirement benefit in the form of Provident Fund is a defined benefit contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective fund are due. Company has no obligation other than amount paid to respective authority.



Defined benefit plans:

Gratuity and compensated absences are defined benefits. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation carried out by an independent actuary at the Balance sheet date using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance sheet date. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. The plan is not funded by the Company. The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

I. Taxation

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversing in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Deferred tax asset including assets arising from unabsorbed depreciation and losses carried forward, is not recognised unless there is subsequent reversal or virtual certainty that sufficient taxable income will be available against which such Deferred tax asset can be realized.

m. Employee stock option plan

Employees (including senior executives) of the company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions). The Company determines the compensation cost based on the intrinsic value method. The company grants options to its employees which will be vested in a graded manner and are to be exercised within a specified period.

Measurement and disclosure of the employee share based payments plan is done in accordance with the Guidance Note on Accounting for Employee Share Based Payments issued by the Institute of Chartered Accountants of India. The Company measures compensation cost related to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a Straight Line basis.

n. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



o. Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

p. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

q. Segment reporting

The Company's operating segments are based on the nature of services provided with each segment representing a strategic business unit that offers different services. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.



Note 3 Share Capital

(INR. million)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Authorised Capital		
2,50,00,000 equity shares of INR 1/- each (March 31, 2020 : 10,50,000 equity shares of INR 10/- each).	25.00	10.50
14,25,00,000 redeemable preference shares of INR 10/- each (March 31, 2020 : 7,25,00,000 redeemable preference shares of INR 10/- each)	1,425.00	725.00
	1,450.00	735.50
Issued , Subscribed & Fully Paid Up		
Equity shares of INR 1/- each (March 31, 2020: equity shares of INR 10/- each)	10.00	10.00
Redeemable preference shares of INR 10/- each	700.00	700.00
	710.00	710.00

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	No. of Shares	No. of Shares
	March 31, 2021	March 31, 2020
As per the last balance sheet	1,00,00,000	10,00,000
Issued during the year	-	-
As at the end of the year	1,00,00,000	10,00,000
Redeemable preference shares	No. of Shares	No. of Shares
	March 31, 2021	March 31, 2020
As per the last balance sheet	7,00,00,000	7,00,00,000
Issued during the year	-	-
As at the end of the year	7,00,00,000	7,00,00,000

b. Terms/rights attached to equity shares

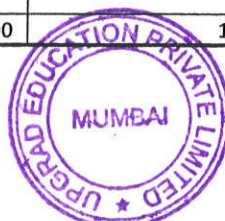
The Company has one class of equity shares having a par value of INR 1/- per share each (March 31, 2020: Rs. 10/- per share each).. Each holder of equity share is entitled to one vote per equity share. During the year FY 20-21, one equity share having a par value of INR 10/- each was sub divided in to ten equity shares having par value of INR 1/- each. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Terms/rights attached to redeemable preference shares (RPS)

Preference shares are non-convertible and would be redeemable at a premium of 8% p.a. at the end of 20 years from the date of Allotment. These shares would carry a Non-Cumulative dividend of 0.0001% per annum. RPS Holder shall have the right to redeem any or all of RPS upon earlier of (i) expiry of the Term or (ii) immediately prior to the occurrence of a liquidity event as defined in founders agreement dated December 19, 2014. The RPS shall not confer any right to vote at any general meeting of the company.

d. Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	March 31, 2021		March 31, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of
Equity shares of INR 1/- each (March 31, 2020 INR 10/- each)				
Rohinton Screwvala	41,66,650	42%	4,16,665	42%
Trishya Screwvala	41,17,750	41%	4,16,665	42%
Mayank Kumar	17,15,600	17%	1,66,670	17%
Total	1,00,00,000	100%	10,00,000	100%
0.0001% Redeemable preference shares of INR 10/- Each				
Unilazer Ventures Private Limited	7,00,00,000	100%	7,00,00,000	100%
Total	7,00,00,000	100%	7,00,00,000	100%

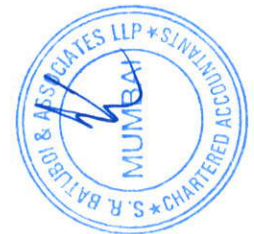


UpGrad Education Private Limited

Notes forming part of the financial statements as on March 31, 2021

(INR. million)

PARTICULARS	Gross Block At cost/ Valuation				Depreciation				Net Block	
	April 01, 2020	Additions during the year	Deletions during the year	March 31, 2021	April 01, 2020	Additions during the year	Deletions during the year	March 31, 2021	March 31, 2021	March 31, 2020
	Property Plant & Equipment									
Computers	78.70	36.07	1.81	112.97	27.70	23.37	1.36	49.71	63.26	51.01
Furniture and Fixture	3.64	0.03	0.16	3.52	1.59	0.63	0.13	2.09	1.42	2.05
Office Equipment	8.42	2.24	0.30	10.36	3.00	2.25	0.14	5.11	5.25	5.41
Leasehold Improvements	36.16	-	8.90	27.26	18.38	6.32	2.56	22.14	5.12	17.78
Plant & Machinery	12.23	0.70	0.02	12.91	2.57	1.04	0.01	3.60	9.31	9.66
Sub-Total (A)	139.15	39.04	11.19	167.00	53.24	33.61	4.21	82.64	84.36	85.91
Intangible Assets										
Web Design & Developments	1.02	-	-	1.02	0.98	0.00	-	0.98	0.04	0.04
Software	5.06	-	-	5.06	2.84	1.12	-	3.97	1.09	2.21
Trademarks	0.45	-	-	0.45	0.17	0.14	-	0.31	0.14	0.28
Intellectual Property Rights	2.50	-	-	2.50	0.40	0.59	-	0.99	1.51	2.10
Content Development	-	313.87	-	313.87	-	28.77	-	28.77	285.11	-
Technology Development	-	110.94	-	110.94	-	3.01	-	3.01	107.93	-
Sub-Total (B)	9.03	424.81	-	433.84	4.39	33.64	-	38.03	395.81	4.63
Capital work in progress	-	-	-	-	-	-	-	-	-	0.32
Sub-Total (C)	-	-	-	-	-	-	-	-	-	0.32
Total (A) + (B) + (C)	148.18	463.85	11.19	600.84	57.63	67.25	4.21	120.67	480.17	90.86
Previous Year	70.15	79.72	1.38	148.50	34.99	22.68	0.02	57.63	90.86	-



Particulars	(Amount in million)	
	Year Ended 31-Mar-21	Year Ended 31-Mar-20
Other money for which the Company is contingently liable	-	-

24 Capital Commitment : Estimated capital commitment remaining to be completed is Rs. Nil (P.Y. Rs. Nil)

25 **Tax expense**

The Company has not recognised deferred tax asset on unabsorbed depreciation and brought forward business losses in absence of virtual certainty of future taxable income.

26 **Employee Benefits**

The Disclosure required under Accounting Standard 15 'Employee Benefits' are given below:

I. Defined Contribution Plans

- a) Provident Fund
- b) Maharashtra State Labour Welfare Plan

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

Particulars	(Amount in million)	
	Year Ended 31-Mar-21	Year Ended 31-Mar-20
Employers' Contribution to Provident Fund	44.29	18.51
Maharashtra State Labour Welfare Plan	0.10	0.03

Included in Employee Benefit Expenses (Refer Note 21)

II. Defined Benefit Plans

The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Leave encashment is recognised in same manner as Gratuity.

Particulars	Year Ended 31-Mar-21	Year Ended 31-Mar-20	Year Ended 31-Mar-21	Year Ended 31-Mar-20
	Leave Encashment		Gratuity (Non Funded plan)	
A Changes in the Present Value of Obligation				
(a) Present Value of Obligation as at 1st April	2.74	-	8.37	4.92
(b) Interest Cost	0.01	-	0.55	0.38
(c) Current Service Cost	4.50	4.87	3.61	2.56
(d) Past Service Cost	-	-	-	-
(e) Benefits Paid	-5.11	-2.13	-	-
(f) Actuarial (gain) / Loss on obligation	5.52	-	0.42	0.52
(g) Present Value of Obligation as at	7.67	2.74	12.95	8.37
B Changes in the Fair value of Plan Assets				
(a) Present Value of Plan Assets as at 1st April	-	-	-	-
(b) Expected Return on Plan Assets	-	-	-	-
(c) Contribution during the year by employer	5.11	-	-	-
(d) Benefits Paid	-5.11	-	-	-
(e) Actuarial Loss	-	-	-	-
(f) Fair Value of Plan Assets as at	-	-	-	-
C Reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets				
(a) Present Value of Non Funded Obligation as at	7.67	2.74	12.95	8.37
(b) Fair Value of Plan Assets as at	-	-	-	-
(c) Non Funded (Asset)/Liability recognised in the Balance Sheet	7.67	2.74	12.95	8.37
D Amount recognised in the Balance Sheet				
(a) Present Value of Obligation as at	7.67	2.74	12.95	8.37
(b) Fair Value of Plan Assets as at	-	-	-	-
(c) Asset recognised in the Balance Sheet	-	-	-	-



E	Expenses recognised in the Statement of Profit and Loss				
(a)	Current Service Cost	4.50	4.87	3.61	2.56
(b)	Interest Cost	0.01	-	0.55	0.38
(c)	Expected Return on Plan Assets	-	-	-	-
(d)	Net Actuarial (gain) / Loss on obligation	5.52	-	0.42	0.52
	Total Expenses recognised in the Statement of Profit and Loss	10.03	4.87	4.58	3.46
F	Actual return on Plan Assets				
	Expected Return on Plan Assets	-	-	-	-
	Actuarial loss on Plan Assets	-	-	-	-
	Actual Return on Plan Assets	-	-	-	-
G	Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at				
	Insurer Managed Non Funds	-	-	-	-
H	The liability for leave encashment and compensated absences as at year end is	-	-	-	-

In accordance with the Accounting Standard (AS 15) (Revised 2005), actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

Particulars		Year Ended 31-Mar-21	Year Ended 31-Mar-20	Year Ended 31-Mar-21	Year Ended 31-Mar-20
a)	Discount Rate (per annum)	6.56%	7.64%	6.56%	7.64%
b)	Rate of increase in Compensation Levels	9.00%	9.00%	9.00%	9.00%
c)	Expected Rate of Return on Plan Assets	NA	NA	NA	NA
d)	Expected Average remaining working lives of employees in number of years	NA	NA	32	32



UpGrad Education Private Limited		
Notes forming part of the financial statements as on March 31, 2021		
Note 4 Reserves and surplus		(INR. million)
Particulars	As at March 31, 2021	As at March 31, 2020
Surplus / (Deficit) in the statement of profit and loss		
Opening balance	(1,826.21)	(1,037.30)
Add: (Loss) for the year	(2,023.73)	(788.92)
Closing balance	(3,849.94)	(1,826.21)
Employee Stock Options Reserve		
Opening balance	-	-
Add: Additions during the year	76.13	-
Closing balance	76.13	-
Total	(3,773.81)	(1,826.21)
Note 5: Long term borrowings		(INR. million)
Particulars	As at March 31, 2021	As at March 31, 2020
Debentures issued to promoter (refer note 31) - Unsecured 4,00,000 (March 31, 2020: 4,00,000) 0% Optionally convertible Debentures of INR 1,000/- each issued to Rohinton Screwvala (Convertible into Equity on mutual agreed terms between debenture holder and the Company)	400.00	400.00
Total	400.00	400.00
The above amount includes		
Secured borrowings	-	-
Unsecured borrowings	400.00	400.00
Total	400.00	400.00
<p>i. The Optionally Convertible Debentures were repayable/convertible within a maximum period of 20 years or such period as mutually agreed between the Debenture holder and the Company.</p> <p>ii. The debentures were entitled to a redemption premium if applicable at the rate of 8% pa on the issue price. There instrument carried 0% interest and was not entitled to any voting rights.</p> <p>iii. Subsequent to the Balance Sheet date, the debentures have been converted into Equity shares at par value.</p>		
Note 6: Long term provision		(INR. million)
Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefit : Gratuity (Refer Note 29)	7.81	12.60
Total	7.81	12.60
Note 7: Short-term borrowings		(INR. million)
Particulars	As at March 31, 2021	As at March 31, 2020
Debentures (Refer Note 7.1 below) IIFL Income Opportunities Fund (Series II) 5,00,000 (March 31, 2020: Nil) unlisted, secured, redeemable, non-convertible debentures of Face Value INR 1,000 each	500.00	-
Term Loans from banks (Refer Note 7.2 below) From Kotak Mahindra Bank Limited (Secured)	250.00	-
From Kotak Mahindra Bank Limited (Unsecured)	35.00	-
Overdrafts from banks (Refer Note 7.3 below) Working capital overdrafts from Kotak Mahindra Bank Limited (Secured)	727.37	134.90
Working capital demand loan from Non Banking Financial Company - Kotak Mahindra Investments Limited (Secured)	-	132.50
Working capital demand loan from other financial institutions - NDX P2P Private Limited (Secured)	-	50.00
Unsecured loans Loan from Promoter - (Unsecured) (refer note 30)	167.00	281.00
Total	1,679.37	598.40
The above amount includes		
Secured borrowings	1,477.37	317.40
Unsecured borrowings	202.00	281.00
Total	1,679.37	598.40



UpGrad Education Private Limited
Notes forming part of the financial statements as on March 31, 2021

7.1. Debentures

The debentures are secured, redeemable, non-convertible and repayable by March 11, 2022. The following are pledged as securities against the borrowing:

- a. 6.9% of equity shares of Lenskart Solutions Private Limited
- b. 11.39 Crs.of units of IIFL Income Opportunity Fund Series - Special Category -II and ICICI Venture Capital Fund.
- c. Personal Guarantee of Rohinton Screwvala
- d. Corporate Guarantee given by Unilazer Ventures Private Limited (UVPL)
- e. Subsequent to Balance Sheet date, the debentures have been redeemed at par value on 10th May 2021

7.2 Terms loans from banks

Term loan from Kotak Mahindra Bank Limited amounting to INR 250.00 million was taken in FY 2019-20 and carries floating interest ranging between 11.5% to 12.5% p.a. 50% of the loan (INR 125.00 million) is repayable the on 90th day and remaining 50% (INR 125.00 million) on 180th day from the date of loan availment. The loan is secured against personal guarantee of Rohinton Screwvala.

7.3. Overdrafts from bank

a. Overdraft facility from Kotak Mahindra Bank Limited amounting to INR 87.40 million (March 20: INR 136.33 million) was taken in FY 2019-20 and carries floating interest ranging between 11% to 12.5% p.a. repayable on demand. The loan is secured against personal guarantee of Rohinton Screwvala, first and exclusive charge on all existing and future receivables/current assets of the borrower and pledge of 10% (1,00,000) shares of Upgrad Education Private Limited held by Rohinton Screwvala.

b. Overdraft facility from Kotak Mahindra Bank Limited amounting to INR 300 million (March 20: Nil) was taken in FY 2019-20 and carries floating interest ranging between 11% to 12.5% p.a. repayable on demand. The loan is secured against personal guarantee of Rohinton Screwvala, fixed deposits of Rohinton Screwvala equivalent to 30% of the limit and first and exclusive charge on all existing and future receivables/current assets of the borrower.

c. Overdraft facility from Kotak Mahindra Bank Limited amounting to INR 150 million (March 20: Nil) was taken in FY 2020-21 and carries floating interest ranging between 4.5% to 4.75% p.a. repayable on demand. The loan is secured against personal guarantee of Rohinton Screwvala and fixed deposits of Rohinton Screwvala equivalent to 110% of the limit.

d. Overdraft facility from Kotak Mahindra Bank Limited amounting to INR 190 million (March 20: Nil) was taken in FY 2020-21 and carries floating interest ranging between 4.5% to 4.75% p.a. repayable on demand. The loan is secured against personal guarantee of Rohinton Screwvala and fixed deposits of Rohinton Screwvala equivalent to 110% of the limit.

Working Capital demand loan from Kotak Mahindra Investment Limited - March 21: Nil (March 20: INR 132.50 million) was secured against personal guarantee and investments of Rohinton Screwvala

Working Capital demand loan from NDX P2P Private Limited - March 21: Nil (March 20: INR 50 million) was secured against personal guarantee of Rohinton Screwvala.

Note 8: Trade Payables (INR. million)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables		
Total outstanding dues of micro enterprises and small enterprises (Refer note 7.1 below)	20.48	1.60
Total outstanding dues of creditors other than micro enterprises and small enterprises	405.41	342.16
Total	425.90	343.76

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

8.1 Due to micro and small enterprises (INR. million)

Particulars	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	20.48	1.60
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-



UpGrad Education Private Limited		
Notes forming part of the financial statements as on March 31, 2021		
Note 9: Other current liabilities (INR. million)		
Particulars	As at March 31, 2021	As at March 31, 2020
Deferred revenue	1,046.75	28.46
Statutory dues	83.86	100.88
Interest accrued and due on borrowings	5.40	3.53
Interest accrued but not due on borrowings	-	1.96
Security deposit	0.32	-
Provision for expenses	631.51	290.70
Total	1,767.85	425.53
Note 10: Short-term provisions (INR. million)		
Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefit : Gratuity (Refer Note 29)	2.69	0.35
Compensated Absences	19.54	7.67
Total	22.23	8.02
Note 12: Non-current investments (INR. million)		
Particulars	As at March 31, 2021	As at March 31, 2020
Trade investments (valued at cost unless stated otherwise)		
Investment in subsidiaries		-
80,00,000 (March 31, 2020: Nil) equity shares of INR 10/- each fully paid up in Upgrad College of Technology & Management Private Limited	80.00	-
10,000 (March 31, 2020: Nil) equity shares of INR 10/- each fully paid up in Rekrut India Private Limited	0.10	-
Unquoted Debentures		
Optionally convertible unsecured debentures of subsidiaries	11.95	-
11,950 0% Optionally Convertible Debentures (March 31, 2020: Nil) of INR 1,000/- each in Rekrut India Private Limited		
Optionally convertible unsecured debentures of other companies	40.30	-
40,300 0% Optionally Convertible Debentures (March 31, 2020: Nil) of INR 1,000/- each in Transforming Higher Education GATE Academy (refer Note 12.1 below)		
Unquoted equity instruments		
Investment in U Education Employees Welfare Trust	0.01	0.01
Total	132.36	0.01
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	132.36	0.01
12.1 In FY 21-22, the Company acquired 100% stake for INR 104.87 million from the existing shareholders of Transforming Higher Education GATE Academy, thereby making it a wholly owned subsidiary of the Company.		
Note 13: Long term loans & advances (INR. million)		
Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits (secured, unsecured and considered good)	14.24	22.67
Loan and advances to related parties (unsecured and considered good) (Refer Note 31)	4.50	-
Loan to Transforming Higher Education GATE Academy (Unsecured and considered good) (refer Note 12.1 above)	6.50	-
Total	25.24	22.67
Note 14: Trade Receivables (INR. million)		
Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables (unsecured and considered good) for a period exceeding six months from the date they are due for payment	-	-
Others	155.49	193.83
Total	155.49	193.83
Amounts due from related parties included above (Refer Note 31)	21.78	-



UpGrad Education Private Limited		
Notes forming part of the financial statements as on March 31, 2021		
(INR. million)		
Note 15: Cash and bank balances		
Particulars	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents		
Balances with banks in current accounts	123.66	27.53
in Fixed Deposits with original maturity less than 6 months	-	85.52
Cash on hand	0.11	0.11
Total	123.77	113.16
(INR. million)		
Note 16: Short term loans and advances		
Particulars	As at March 31, 2021	As at March 31, 2020
Advances recoverable in cash or kind		
Advances given to Vendors (Unsecured considered good)	13.22	9.00
Other loans and advances Unsecured, considered good		
Advance Tax (net of provision for tax Rs. Nil) (March 31, 2020: Nil)	109.81	108.57
Prepaid Expenses	25.95	36.45
Balance with Statutory/Government Authorities	43.03	70.76
Total	192.01	224.78
(INR. million)		
Note 17: Other current assets		
Particulars	As at March 31, 2021	As at March 31, 2020
Interest Receivable		
On loans to subsidiaries	0.19	-
On loans to others	0.25	-
Unbilled Revenue	129.45	26.79
Others	0.41	-
Total	130.30	26.79
(INR. million)		
Note 18: Revenue from operations		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Sale of Services		
Revenue from Program Fees	1,733.01	720.85
Revenue from Universities	1,520.26	902.55
Total	3,253.27	1,623.40
(INR. million)		
Note 19: Other income		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest income on		
Bank deposits	0.89	0.59
Loans to subsidiaries	0.60	-
Loans to others	0.25	0.55
Income tax refund	3.16	1.12
Service fees	21.78	-
Total	26.69	2.26
(INR. million)		
Note 20: Direct costs		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Content Development (Refer Note 27)	7.30	35.86
University Fees	477.15	136.23
Content Delivery Costs	360.65	126.35
Total	845.09	298.44



UpGrad Education Private Limited		
Notes forming part of the financial statements as on March 31, 2021		
		(INR. million)
Note 21: Employee benefits expense		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Salaries, wages & bonus (Refer Note 27)	1,436.18	846.40
Contribution to provident and other funds	44.40	18.52
Employee stock options cost (Refer Note 33)	76.13	-
Gratuity Expenses (Refer Note 29)	-2.45	5.12
Staff Welfare Expenses	13.67	28.97
Total	1,567.93	899.00
Note 22: Finance costs		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest on loans from bank and NBFC	111.56	21.47
Interest on delayed payment of Taxes	0.09	0.10
Loan processing fees	11.66	3.51
Total	123.31	25.08
Note 23: Other expenses		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Rent	41.36	62.44
Rates & taxes	23.45	-
Marketing and advertisement expenses	2,049.09	941.89
Payment facilitation	36.38	23.72
Technology expenses	130.32	47.40
Legal and professional expenses	90.03	30.11
Communication expenses	34.60	21.11
Office expenses	9.54	11.84
Power & fuel	2.54	4.56
Travelling expenses	8.21	16.73
Insurance	10.28	3.46
Payment to auditors (refer note below)	2.20	1.02
Foreign exchange loss	0.33	0.15
Repairs & maintenance	2.34	3.60
Bank charges	0.65	0.12
Printing and stationary	0.98	1.16
Loss on sale of assets	6.64	0.05
Total	2,448.95	1,169.38
Payments to Statutory Auditors		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
As Auditors		
Statutory audit fees	2.20	0.43
Tax audit fees	-	0.08
In other capacity		
Other tax matters	-	0.43
Certification fees	-	0.10
Total	2.20	1.02



24 Contingent liabilities (INR. million)

Particulars	Year Ended	Year Ended
	March 31, 2021	March 31, 2020
Claims against the Company not acknowledged as debts	Nil	Nil

25 Capital Commitments estimated to be completed as on March 31, 2021 is INR Nil (March 20: INR Nil)

26 Operating lease: company as lessee

The company has taken commercial premises under cancellable operating leases. The company has operating lease agreements, primary for leasing office space, that expire over next 1 to 5 years. Some of the lease agreements contain renewal clauses. Lease payment recognised in statement of profit and loss is INR 41.36 millions (March 31, 2020 : INR 62.44 millions). Non cancellable, operating lease rental payable (minimum lease payment) under these agreements are as follow

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Within one year	51.23	51.32
After one year but not more than five years	-	38.59
More than five years	-	-
Total	51.23	89.91

27 Capitalization of expenditure

During the year, the company has capitalized the following expenses to the cost of intangible assets under content developed and technology platforms developed. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company.

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
a. Technology capitalisation		
Salaries, wages & bonus	110.94	-
b. Content capitalisation		
Salaries, wages & bonus	232.88	-
Professional fee - SME	80.99	-
Total	424.81	-

28 Tax expense

The Company has not recognised any deferred tax asset on unabsorbed depreciation and brought forward business losses in absence of virtual certainty of future taxable income.

29 Employee Benefits

Defined contribution plans:

Eligible employees of the company receive benefit under the Provident Fund which is a defined contribution plan where in both the employee and the company make monthly contributions equal to a specified percentage of the covered employees' salary. These contributions are made to the Fund administered and managed by the Government of India. The company's monthly contributions are charged to the Statement of Profit and Loss in the period they are incurred. There is no liability beyond the monthly contributions made by the company. The total charges for the year amounts to INR 44.29 millions (March 31, 2020: INR 18.51 millions).

Defined benefit plans**Gratuity**

In accordance with the Payment of Gratuity Act, 1972 of India, the company provides for gratuity, a defined retirement benefit plan covering eligible employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at the rate of 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy OR The plan is not funded by the company.

The following table sets forth the status of the gratuity plan of the company, and the amounts recognized in the Balance sheet and Statement of profit and loss.



The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Leave encashment is recognised in same manner as Gratuity.

Particulars		Year Ended March 31, 2021	Year Ended March 31, 2020
Gratuity (Non Funded plan)			
A	Changes in the Present Value of Obligation		
(a)	Present Value of Obligation as at 1st April	12.95	8.37
(b)	Interest Cost	0.67	0.55
(c)	Current Service Cost	2.57	3.61
(d)	Actuarial (gain) / Loss on obligation	-5.69	0.42
(e)	Present Value of Obligation as at	10.50	12.95
B	Reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets		
(a)	Present Value of Non Funded Obligation as at	10.50	12.95
(b)	Non Funded (Asset)/Liability recognised in the Balance Sheet	10.50	12.95
D	Amount recognised in the Balance Sheet		
(a)	Present Value of Obligation as at	10.50	12.95
E	Expenses recognised in the Statement of Profit and Loss		
(a)	Current Service Cost	2.57	3.61
(b)	Interest Cost	0.67	0.55
(c)	Net Actuarial (gain) / Loss on obligation	-5.69	0.42
	Total Expenses recognised in the Statement of Profit and Loss	-2.45	4.58

Amounts recognised in current year and previous four years

Particulars		Year Ended March 31, 2021	Year Ended March 31, 2020
a)	Defined benefit obligation	10.50	12.95
b)	Actuarial (gain)/loss on plan obligation	-5.69	0.42

In accordance with the Accounting Standard (AS 15) Employee Benefits (Revised 2005), actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

Particulars		Year Ended March 31, 2021	Year Ended March 31, 2020
a)	Discount Rate (per annum)	5.18%	6.56%
b)	Rate of increase in Compensation Levels	9.00%	9.00%

The estimates of future salary increase considered in actuarial valuation take account of inflation, seniority, promotions and other relevant factors such as supply and demand in employment market. The company evaluates these assumptions annually based on its long-term plans of growth and industry standards. The discount rates are based on current market yields on government bonds consistent with the currency and estimated term of the post employment benefit obligation.



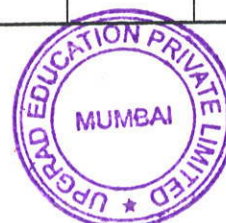
30 Related party disclosures as required by accounting standard AS 18 "Related Parties Disclosures" are given below:

i. Related parties where control exists	Relationship
Upgrad College of Technology And Management Private Limited (Incorporated on May 20, 2020)	Wholly owned Subsidiary
Rekrut India Private Limited (Acquired on January 18, 2021)	Wholly owned Subsidiary
Upgrad Tech PTE Limited (Incorporated on September 15, 2020)	Step down Subsidiary (Wholly owned subsidiary of Upgrad College of Technology & Management Private Limited)
Upgrad Edtech UK Limited (Incorporated on July 22, 2020)	Step down Subsidiary (Wholly owned Subsidiary of Upgrad College of Technology & Management Private Limited)
Upgrad College of Technology And Management London Limited (Incorporated on October 12, 2020)	Step down Subsidiary (Wholly owned Subsidiary of Upgrad Edtech UK Limited)
ii. Enterprises under same management	
SHARE - Society to Heal Aid Restore Educate	
Swades Foundation (Refer Note below)	
iii. Key managerial personnel	Relationship
Rohinton Screwvala	Chairman and Director
Mayank Kumar	Managing Director
Trishya Screwvala	Director (up to September 5, 2020)

31 Transactions with Related Parties

(INR. million)

Particulars	Subsidiaries		Enterprises under same management		Key Managerial Personnel	
	Year ended/ Balance as at	Year ended/ Balance as at	Year ended/ Balance as at	Year ended/ Balance as at	Year ended/ Balance as at	Year ended/ Balance as at
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
a. Sale/purchase of services						
Services rendered and fees charged						
Upgrad Edtech UK Limited	5.46	-	-	-	-	-
Upgrad Tech Pte. Ltd.	12.63	-	-	-	-	-
Upgrad College Of Technology And Management London Ltd.	3.69	-	-	-	-	-
Amounts Receivable						
Upgrad Edtech UK Limited	5.46	-	-	-	-	-
Upgrad Tech Pte. Ltd.	12.63	-	-	-	-	-
Upgrad College Of Technology And Management London Ltd.	3.69	-	-	-	-	-
Purchases of services						
SHARE - Society to Heal Aid Restore Educate	-	-	-	0.31	-	-
b. Non-Current Investments through Equity Instruments						
Upgrad College of Technology and Management Private Limited	80.00	-	-	-	-	-
Rekrut India Private Limited	0.10	-	-	-	-	-
c. Non-Current Investments through Optionally Convertible Debentures						
Rekrut India Private Limited	11.95	-	-	-	-	-
d. Loans given						
Upgrad College of Technology and Management Private Limited	50.00	-	-	-	-	-
Rekrut India Private Limited	4.50	-	-	-	-	-
e. Repayment of Loans given						
Upgrad College of Technology and Management Private Limited	50.00	-	-	-	-	-
f. Interest received						
Upgrad College of Technology and Management Private Limited	0.45	-	-	-	-	-
Rekrut India Private Limited	0.16	-	-	-	-	-
g. Loans received						
Rohinton Screwvala	-	-	-	-	629.50	281.00



h. Repayment of Loan							
Rohinton Screwvvala	-	-	-	-	743.50	-	
i. Outstanding Loans							
Rohinton Screwvvala	-	-	-	-	167.00	281.00	
j. Interest paid							
Rohinton Screwvvala	-	-	-	-	16.72	2.18	
k. Outstanding balance of Optional Convertible Debentures							
Rohinton Screwvvala	-	-	-	-	400.00	400.00	
l. Remuneration paid							
Mayank Kumar	-	-	-	-	12.50	11.13	
m. Reimbursement paid							
Mayank Kumar	-	-	-	-	0.01	0.17	

The Company has investments of INR 40.30 million in Optionally Convertible Debentures of Transforming Higher Education GATE Academy and has also extended loans amounting to INR 6.5 million to the Company as on March 31, 2021. Subsequently, 100% stake of Transforming Higher Education GATE Academy has been acquired in FY 21-22 and accordingly, it has become a wholly owned subsidiary of the Company in FY 21-22. These transactions are not included in above Related Party disclosure for year ending March 31, 2021.

During the year FY 20-21, Swades Foundation donated Rs. 11.18 crore to 1,978 students towards scholarship for online courses enrolled with Upgrad Education Private limited (Upgrad). The Scholarship programme intended to support meritorious professionals to take up/continue their education online during the COVID-19 crisis. Swades Foundation took assistance of Upgrad in identifying and selecting eligible professionals under this programme. Upgrad has not charged Swades Foundation any fees for this.



32 Earnings/Expenditure in foreign exchange (on accrual basis):	(INR. million)	
	Particulars	Year ended March 31, 2021
Revenue from operations:	81.39	7.86
Expenditure:		
Direct Costs	106.73	33.15
Other Expenses	198.10	67.85

33 Employee Stock Options

The Employee Stock Option Plan "Upgrad Stock Option Plan 2015" was formulated by the Board of the Company and approved by it at its meeting held on September 19, 2015. The scheme was last amended on on September 21, 2021. The maximum grant under the scheme was increased to 22,25,810 options from 17,25,810 options vide shareholders special resolution dated 21st September 2021.

The weighted average exercise price of all the options under the scheme is INR 1/-

The vesting period of all grants under the scheme ranges between 1-4 years

The vesting of options would be subject to continued employment with the Company and fulfilment of certain performance parameters, if any, as specified by the Board.

The Exercise Period for the options shall be the earlier of

1. Liquidity Event Date defined as (a) Company Sale Liquidity, (b) listing of the Company's Shares on any recognized stock exchange in India (c) substantial sale or reorganization of shares or business operations of the Company or (d) similar material transaction as determined by the Board or
2. Expiry Date which is defined as 12 years from the date of grant

The ESOP plan specifies settlement method of the options in Equity subject to conditions specified in the plan.

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Stock Options outstanding at the beginning of the year	10,18,300	10,43,670
Granted during the year	7,36,333	2,20,040
Forfeited / cancelled during the year	(1,17,136)	(2,45,410)
Balance as at the end of the year	16,37,497	10,18,300
No of options vested but not exercised	7,46,263	2,41,730

The Company is in the process of obtaining a fair valuation of the employee stock options under Black Scholes method and has accounted for cost of the stock options based on fair value of shares determined on the basis of discounted cash flow method for the year ended March 31, 2021.

34 Segment reporting

In accordance with terms of Accounting Standard - 17 - Segment Reporting, the Company has one business segment i.e. "Online Education and Support", which is the primary reportable segment. The Company's operations are conducted from India which and accordingly there are no separate geographical segments

35 Earnings per share (EPS)

Basic and Diluted per share are calculated by dividing the net loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.

Particulars	(INR. million)	
	Year ended March 31, 2021	Year ended March 31, 2020
Net (loss) for calculation of basic & diluted EPS	(2,023.73)	(788.92)
Weighted average number of equity shares in calculating basic & diluted EPS (Nos. in million)	10.00	10.00
Profit / (Loss) per Share (In Rs.)		
- Basic and Diluted	(202.37)	(78.89)

Note : During the year FY 20-21, equity shares having a par value of INR 10/- each were sub divided into 10 equity shares having par value of INR 1/- each. Accordingly, the EPS has been computed basis the number of outstanding shares as on March 31, 2021 (at par value of INR 1/- each) in terms of the requirements of Accounting Standard (AS) 20. The no. of shares for previous year FY 19-20 have been regrouped accordingly.



36 Subsequent events

36.1 Private Investor Funding

On May 7, 2021, Macritchie Investments Pte. Ltd, invested Rs. 7,391.00 million in the Company by acquiring 29,22,304 Series 1 Compulsorily Convertible Preference Shares of face value Rs.10/- each

On July 30, 2021, IFC Emerging Asia Fund, LP, invested Rs. 1,342.38 million in the Company by acquiring 6,36,886 Series 2 Compulsorily Convertible Preference Shares (Series 2 CCPS) of the face value of Rs.10/- each. On the same date, International Finance Corporation, invested Rs. 805.43 million in the Company by acquiring 3,98,054 Compulsorily Convertible Preference Shares (Series 2 CCPS) of the face value of Rs.10/- each

On August 20, 2021, IIFL Special Opportunities Fund - Series 8, invested Rs. 831.60 million in the Company by acquiring 2,68,066 Series 3 Compulsorily Convertible Preference Shares (Series 3 CCPS) of the face value of Rs.10/- each. On the same date, IIFL Monopolistic Market Intermediaries Fund, invested Rs. 633.60 million in the Company by acquiring 1,15,920 Series 3 Compulsory Convertible Preference Shares (Series 3 CCPS) having face value of Rs. 10/- each

36.2 Other changes in Shareholding Pattern

Allotment of 2,08,374 Equity Shares of face value Re. 1/- each to Mr. Rohinton Screwvala, in lieu of conversion of Optionally Convertible Debentures held.

Redemption of Redeemable Preference Shares worth Rs. 70,00,00,000/- (Rupees Seventy Crores Only) and allotment of 7,00,00,000 Pre-Series Compulsorily Convertible Preference Shares of face value Rs. 10/- each to Unilazer Ventures Private Limited, on 12 April, 2021.

Allotment of 2,94,257 Equity Shares to the employees pursuant to the exercise of the vested stock options under the Upgrad Stock Option Plan 2015 on 23 April, 2021.

Allotment of 36,522 Equity Shares at Re. 1/- each to the employees pursuant to the exercise of the vested stock options under the Upgrad Stock Option Plan 2015 on 17 August, 2021.

Allotment of 71,021 Equity Shares of face value of Re. 1/- each towards swap of shares of Impartus Innovations Private Limited on 29 May, 2021.

Allotment of 49,327 Equity Shares of face value of Re. 1/- each towards swap of shares of Transforming Higher Education Gate Academy Private Limited on 14 June, 2021.

36.3 Acquisitions

Acquired controlling stake in the following companies:

Impartus Innovations Private Limited on 29th May 2021 for a cash consideration of Rs. 782.63 million

Transforming Higher Education Gate Academy Private Limited on 14th June 2021 for a cash consideration of Rs. 104.87 million

Future Technology Skills Foundation on 25th June 2021 for a cash consideration of Rs. 0.1 million

Knowledge Hut Solutions Private Limited on 24th August 2021 for a cash consideration of Rs. 777.21 million

37 Transfer Pricing

The Company's international transactions with related parties are at arms length and management believes that transfer pricing legislation will not have any impact on the financials statements, particularly on the amount of tax expenses and that of provision for taxation.



38 Disclosure required under Sec 186(4) of the Companies Act 2013

Details of long term loans and advances given to wholly owned subsidiaries and other companies have been disclosed below as required under Sec 186(4) of the Companies Act 2013. The loans have been utilized for meeting working capital requirements.

INR. Million

Name of the loanee	Rate of Interest	Due date	Secured/ Unsecured	March 31, 2021	March 31, 2020
Rekrut India Private Limited	12%	Repayable on demand	Unsecured	4.50	-
Transforming Higher Education GATE Academy	12%	Repayable on demand	Unsecured	6.50	-
				11.00	-

Details of investments in equity shares and optionally convertible debentures of wholly owned subsidiaries and other companies have been disclosed below as required by Sec 186(4) of the Companies Act 2013.

INR. Million

Name of the Company	Relationship	Nature of Investment	March 31, 2021	March 31, 2020
Rekrut India Private Limited	Wholly owned Subsidiary	Equity Shares	0.10	-
Upgrad College of Technology And Management Private Limited (UCTMPL)	Wholly owned Subsidiary	Equity Shares	80.00	-
Rekrut India Private Limited	Wholly owned Subsidiary	Optionally Convertible Debentures	11.95	-
Transforming Higher Education GATE Academy	Others	Optionally Convertible Debentures	40.30	-
			132.35	-

39 Previous Year Comparatives

39.1 Prior period disclosure

In the current year, the Company has recorded revenue from program fees and universities as detailed in note 2.1a as compared to prior year wherein such revenue was recognized when the access to online content was provided to the customers i.e. at the commencement of the course, even if the period of rendering services extended beyond the financial year.

The revenue for the year has been disclosed after considering the prior period impact to appropriately reflect the performance of the current year.

39.2 The figures of previous year were audited by a firm of Chartered Accountants other than S. R. Batliboi & Associates LLP. Previous year's figures have been regrouped and reclassified where necessary to conform to the current year's classification.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration No: 101049W/E300004


per Vineet Kedia
Partner
Membership No: 212230



Place : Mumbai
Date : November 26, 2021

For and on behalf of the Board of Directors
Upgrad Education Private Limited


Mayank Kumar
Managing Director
DIN:05002534

Place : Mumbai
Date : November 26, 2021


Khushboo Shah
Company Secretary
Membership No. A43260

Place : Mumbai
Date : November 26, 2021


Rohinton Screwvala
Director
DIN:00003423

Place : Mumbai
Date : November 26, 2021

